

ATTACHMENT A
COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL

(1) DEPARTMENT Social Services	(2) MEETING DATE 8/13/2013	(3) CONTACT/PHONE Laurel Weir 781-1833	
(4) SUBJECT Report on the activities of the Homeless Services Oversight Council (HSOC).			
(5) RECOMMENDED ACTION Request that the Board accept the report on current activities of the Homeless Services Oversight Council.			
(6) FUNDING SOURCE(S) Federal, State and County General Funds	(7) CURRENT YEAR FINANCIAL IMPACT Approximately \$2.5 million	(8) ANNUAL FINANCIAL IMPACT Approximately \$2.5 million	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ____) { X } Board Business (Time Est. <u>60 minutes</u>)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { X } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: { } 4/5th's Vote Required { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { X } N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst.			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Laurel Weir
781-1833

DATE: 8/13/2013

SUBJECT: Report on the activities of the Homeless Services Oversight Council (HSOC).

RECOMMENDATION

Request that the Board accept the report on current activities of the Homeless Services Oversight Council.

DISCUSSION

In 2009, the County adopted a Ten Year Plan to End Homelessness and created the Homeless Services Oversight Council (HSOC) to oversee the plan implementation. The HSOC is a public body whose members are appointed by the Board of Supervisors. There are 27 positions on the Council and each position is designated as a representative of a particular agency or interest. Members of the HSOC include local elected officials, representatives of County agencies that serve homeless persons, local nonprofit agencies that serve homeless persons – including victims of domestic violence, veterans, and youth – as well as health care agencies, local schools, formerly homeless persons, and other community organizations.

In addition to overseeing Ten Year Plan implementation, the Homeless Services Oversight Council also serves as the oversight body for homeless assistance funding allocated to the local Continuum of Care (CoC) by the U.S. Department of Housing and Urban Development (HUD) in accordance with the McKinney-Vento Homeless Assistance Act. HUD distributes approximately \$1 million each year to the County and local nonprofits to provide transitional and permanent, supportive housing to homeless persons. HUD also provides McKinney-Vento Emergency Solutions Grant (ESG) funding to the County for emergency shelter and rapid rehousing. In past years, the County received approximately \$163,000 in ESG funding, but that amount will be reduced this year to \$120,000 due to cuts required by the federal budget Sequestration.

In 2012, the County created a Homeless Services Coordinator position within the Department of Social Services (DSS) to provide staff support to the HSOC to help it carry out its responsibilities, and to coordinate various efforts aimed at addressing issues of homelessness throughout the county (Board item is included as Attachment 1). At the time the position was authorized, the Board requested that staff report back to the Board regarding HSOC and Homeless Services Coordinator activities. The April 24, 2012 Board item identified four projected results associated with the creation of the Homeless Services Coordinator position, as follows:

1. By June 30, 2013, the Homeless Management Information System (HMIS) will include data from the County Health Agency and Social Services Department
2. All local requirements for administering the Continuum of Care will be met
3. An annual update on the status of services to the homeless will be provided to the Board of Supervisors and to cities' councils
4. Member agencies and individuals of HSOC will report improved communication and coordination of services

This item provides updates to these projected results and other homeless activities that have occurred over the past year

since the Coordinator was hired in July 2012.

1. By June 30, 2013, the HMIS will include data from the County Health Agency and Social Services Department

HUD requires all agencies that receive HUD ESG or CoC funding to collect data on the demographics of persons served and types of services provided, and to enter that data into Homeless Management Information System (HMIS) software that is used to report our activities to HUD. Last year, it was proposed that DSS and the County Health Agency would enter data into HMIS by June 2013. DSS took the lead in moving forward with this process, identifying staff who would be responsible for entering the data and beginning to develop the written procedures for doing so. During the course of this process, however, staff identified several issues with HMIS: 1. As it exists currently, HMIS is not set up to handle public benefit agency participation, and 2. Because of the artificial choices the HUD system imposes, the system would produce false outcome reports, which would ultimately have made the County less competitive for HUD funding. These issues are ones that impact not only data from DSS, but other County departments considering the use of HMIS, including the Health Agency and the Probation Department.

Due to concerns that the way HMIS is currently set up would ultimately jeopardize the County's competitiveness for HUD funding, staff has delayed the input of data, in favor of addressing these issues. We have raised these concerns with regional HUD staff and, at HUD's recommendation, staff has requested HUD Technical Assistance to determine whether there is a possible solution or whether HUD will consider modifying their HMIS requirements.

In the meantime however, we have been working to improve the quality of the HMIS data we do have, particularly data regarding where people exit to upon leaving a HUD McKinney-funded program. HUD is placing increasing emphasis on the use of HMIS data for oversight and HUD now expects CoCs to use outcome data in order to make performance-based funding decisions. Recent legislation also directs HUD to use outcome data to identify high performing communities. Therefore, it is very important to ensure that when people exit to permanent housing, that fact is reflected accurately in the HMIS data.

Staff is also looking at data from DSS, the Probation Department, and the County Office of Education that are stored in software programs other than HMIS to learn more about the population we serve and how we might better target our assistance.

2. All local requirements for administering the Continuum of Care will be met

In addition to requiring local CoCs to collect data on persons served and services provided, HUD also requires Continuums to conduct planning, implementation, and oversight activities in order to be eligible for Federal funding. Over the past two decades, HUD has used annual Notices of Funding Availability and program guidance to continuously update their requirements. In the past year, there have been many new changes to CoC requirements. Many of these changes were made to reflect lessons learned from research and practice. However, the changes have required constant alterations to policies and procedures in order to remain competitive for funding. In the past year, the Homeless Services Coordinator has been instrumental in ensuring that the County has been able to remain compliant, despite the following changes to CoC requirements:

Implementation of Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act

From 1992 to 2009, there were no legislative changes to the HUD McKinney programs, however, HUD used the annual funding competition to make changes to the transitional and permanent housing programs. These changes included the establishment of the CoC process and the CoC oversight body. Until the creation of the CoC process in 1995, there were separate funding competitions for each of HUD's three different types of McKinney homeless housing programs. Applications were made by individual nonprofit organizations and there was no formal mechanism for communities to provide input on what type of homeless assistance was most needed. This structure did not encourage community-wide planning and raised the risk that applications would be funded on the strength of the grant writing, not on the need for the program. Moreover, this structure gave HUD little opportunity to ensure an equitable geographic distribution of funding across the country.

In 1995, HUD used the Notice of Funding Availability (NOFA) to combine the three separate competitions into a single competition. HUD also used the NOFA to promote the creation of a CoC oversight body in each community and to ask

that oversight entity to assess and prioritize local, unmet homeless needs. The CoC oversight body was also asked to use the needs assessment to rank local applications for HUD McKinney funding, prioritizing the programs that would fill existing gaps. HUD then used these rankings to make funding decisions that were informed by local input.

In subsequent years, HUD continued to use the NOFA process to make significant changes, not only to the planning process but also to preferences as to what population should be prioritized for permanent housing, and to funding guidelines in order to ensure broader geographic distribution of funding. These changes though, were still within the framework of the McKinney Act as authorized in 1992. Thus, while there was a single funding competition, each of the three programs continued to be governed by different rules regarding structure, eligible activities, eligible recipients, matching of funds, and other program requirements.

In 2009, Congress enacted the Federal Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act. The HEARTH Act made substantial changes to HUD-administered McKinney-Vento homeless assistance programs, based on research and evidenced-based practice. In particular, the HEARTH Act: 1) codified and strengthened the CoC and Enumeration processes that HUD had created, 2) combined the three separate, competitive housing programs into a single program with uniform rules, 3) revised the application process so that instead of each provider in a community submitting a separate application to HUD with accompanying rankings from the CoC oversight body, the CoC oversight body was now responsible for preparing a single application for the entire community, 4) emphasized permanent housing outcomes and a rapid housing approach, and 5) required more uniform assessment of each person's needs and allocation of appropriate levels of housing and supportive services assistance based on such assessments.

In late July 2012, HUD promulgated interim regulations implementing this new law. These regulations set forth new requirements for the CoC governing bodies, including a requirement that the governing bodies have conflict of interest policies in place and have a broad membership. While these changes were not required to be enacted before July 2014, HUD awarded points for these changes in the 2012 competition for CoC funds. CoCs that did not make these changes before January 18, 2013 were at a disadvantage when competing for HUD CoC funding and could have failed to qualify altogether.

To ensure that the County was as competitive as possible for funding, staff and the HSOC responded quickly, making revisions to HSOC's structure and bylaws to comply with the new requirements. These changes helped us to requalify for over \$1 million in HUD funding this year, even though the bar for requalification had been raised substantially.

In addition to the changes noted above, HSOC will be working with homeless service agencies in the next eleven months to revise intake, assessment and referral processes to comply with additional HUD requirements that will go into effect in July 2014. Staff is also preparing for new HUD requirements expected in the Fall of this year, that will restrict HUD McKinney-funded permanent, supportive housing to people who are chronically homeless.

2013 Homeless Enumeration

Under the coordination of the Homeless Services Coordinator, HSOC also conducted the bi-annual Homeless Enumeration in January 2013. The count is required by HUD as one of the conditions for receiving HUD homeless assistance funding. Based on prior year feedback from HUD, several changes were made to the enumeration methodology this year in an effort to comply with HUD requirements and to further improve the quality of the data collected. The most significant change was to the definition of homelessness. In 2013, we used the HUD definition, which excluded persons living doubled up. In 2011, we had used a broader definition of homelessness that included persons living doubled up or who were otherwise precariously housed. While those persons were at risk of homelessness, that methodology was not consistent with HUD requirements.

Additionally, in 2013, when asking about whether someone was currently experiencing mental illness, we specifically asked about depression and Post Traumatic Stress Disorder (PTSD), because local case managers reported that some homeless clients with depression or PTSD did not consider them to be mental illnesses. Such clients would answer "no" when asked whether they were experiencing mental illness unless they were specifically asked about depression or PTSD. In 2011, clients were asked only whether they were experiencing mental illness and were not asked about depression or PTSD.

The 2013 Count identified 2,186 homeless persons during a single, 24 hour Point-in-Time. That was an increase of approximately 2.6% from 2011 numbers when the 2011 Count data was adjusted to exclude persons who did not meet

the HUD definition of homelessness. In 2013, approximately 89% were living unsheltered, meaning they were living on the street (48%) or in vehicles (25%), abandoned buildings (2%), encampments (12%), or other places not meant for human habitation (3%). In 2013, we found approximately 18% in North County, 31% in San Luis Obispo, 33% in South County, and 3% along the Coast.

Transition from “Housing Ready” to “Housing First” Approach

In recent years, HUD has asked communities to move from a “Housing Ready” approach to a “Housing First” approach to assisting homeless persons. Historically, many communities have used a “Housing Ready” approach that requires people to meet certain conditions, usually related to successful management of mental health or co-occurring substance abuse disorders, before such persons are eligible to be housed. A “Housing First” approach places people into permanent housing and then provides mental health treatment, case management, and other services needed to allow the clients to stabilize in place and to maintain their housing. The “Housing First” model does not require people to be well before putting them into housing. The “Housing First” model is considered by HUD and other federal agencies to be a best practice for ending homelessness among those who have been chronically homeless, because use of this model consistently demonstrates a decreased use of emergency services, criminal justice resources, and many other public services. The “Housing First” model has been successfully used by many programs around the country, including locally by the Community Action Partnership of San Luis Obispo, which used Homelessness Prevention and Rapid Rehousing Program funding to move people who had been homeless for many years off the streets and into permanent housing.

This Spring, the HSOC voted to join the 100,000 Homes Campaign, a national effort that emphasizes a “Housing First” approach to housing highly vulnerable, chronically homeless individuals. Communities participating in the Campaign work to identify chronically homeless persons who are the most at risk of dying on the streets and then prioritize them for supportive housing. This approach is consistent with the HEARTH Act’s emphasis on permanent housing and HUD’s requirement that communities reserve their most intensive interventions for those most in need. The 100,000 Homes Campaign has been endorsed by HUD and over the past year, HUD has made policy changes in both its homeless assistance and public and assisted housing programs to encourage more communities to implement the Campaign model.

In June 2013, the HSOC sent a team to a 100,000 Homes training in Southern California to learn how to implement the Campaign and later this month, a leadership team will begin planning locally. The team will determine what resources we have available and set a target goal for how many persons we will seek to house in the first year, as well as setting a target date for when the Campaign will kick off. This Campaign will depend on the participation of many agencies and we will seek to mobilize both the public and the private sector to help in this effort.

3. An annual update on the status of services to the homeless will be provided to the Board of Supervisors and to cities’ councils

This is the first of the annual updates to the Board. Copies of this update will also be made available to City Councils.

4. Member agencies and individuals of HSOC will report improved communication and coordination of services

The County provides over \$2.5 million in federal and local funds that are dedicated for homeless assistance each year. This funding is divided among multiple agencies, including the Department of Social Services, the County Health Agency, the Sheriff’s Office, the County Planning and Building Department, the County Office of Education, and nonprofit agencies. Coordination and communication among all partners and across such programs is important in order to achieve the best possible outcomes.

Since arriving last year, the Homeless Services Coordinator has provided an enhanced level of support to the HSOC and its committees, which has resulted in the following:

- The development of a new member orientation process for HSOC that provides an overview of federal homeless assistance funding received by the County, as well as research on the demographics of homelessness and an overview of the 10 Year Plan.
- The development of brief summaries of key actions taken at HSOC meetings for members to use when reporting back to their boards, staff or City Councils about HSOC activities.
- The convening of the Benefits ARCH collaborative, a coalition of public and private agencies working to help disabled homeless persons to obtain income and medical assistance. The Homeless Services Coordinator

also coordinated a Supplemental Security Income (SSI)/Social Security Disability Insurance (SSDI) Outreach, Access, and Recovery (SOAR) training for case managers from homeless service provider and County agencies. For disabled homeless persons, receipt of SSI benefits provides an income sufficient to qualify for assisted housing when it is available, and also provides access to health insurance. By providing the SOAR training and through the development of partnerships with local and state agencies, the Benefits ARCH group is working to increase the number of eligible homeless persons in the County who receive SSI or SSDI benefits.

- The development of an agreement between DSS and the 5Cities Homeless Coalition to allow the 5Cities Homeless Coalition to create a Warming Center in South County. The Coordinator is also providing information and advice to groups in Morro Bay and North County that are considering opening Warming Centers in those communities this Winter.
- The presentation of two public forums. In late 2012, as an implementation step of the Ten Year Plan recommendation to increase public awareness of homelessness, the HSOC sponsored two public forums. The first was a public forum, held in Atascadero in October, and the second was a vigil for Homeless Persons' Memorial Day, held in December in San Luis Obispo.
- The Coordinator also participated in planning meetings for the homeless Veterans Stand Down that was held by the County Veterans' Services Office in May and ensured that DSS programs were represented at the Stand Down and that staff was able provide assistance and information to homeless veterans at the event.

Additional Accomplishments

While much has been accomplished in the past year, continued changes to HUD regulations and CoC requirements, and the increased focus on homeless issues at the local level require that the County maintain its attention to issues related to homelessness.

Restaurant Meals Initiative

Next month, a Restaurant Meals initiative will be launched by the Department of Social Services to increase access to food for homeless persons. Under the restaurant meals initiative, persons who receive CalFresh food assistance benefits may use their CalFresh card to purchase prepared meals at local restaurants. CalFresh recipients may use Electronic Benefit Transfer (EBT) cards to purchase food at grocery stores; however, due to federal restrictions, recipients may not use CalFresh benefits to purchase prepared meals from such stores. Because many homeless persons do not have access to cooking facilities or refrigeration, this restriction makes it more difficult to use EBT cards to obtain healthy meals. In communities that establish a restaurant meals program, however, CalFresh recipients may use their EBT cards to purchase prepared meals at participating restaurants.

Planning Grant to Develop a Model Intervention for Youth/Young Adults with Child Welfare Involvement At-Risk of Homelessness

Most recently, the Homeless Services Coordinator facilitated the submission of an application to the U.S. Department of Health and Human Services for a planning grant to develop a model intervention for youth/ and young adults with Child Welfare involvement who may be at-risk of homelessness. The grant proposal seeks \$180,000 per year for two years to help DSS to develop and test an intervention to prevent high risk youth exiting foster care from becoming homeless. The grant does not require a County match.

State and community-level studies of homelessness among Transitional Aged Youth (18-24 years old) have found that approximately 21-53% of the homeless youth population had prior histories of foster care or institutionalization. Data from our local Enumeration suggests that approximately one-third of homeless youth in our County had prior foster care involvement. According to community-based studies, youth exiting foster care have a greater risk of becoming homeless than other youth, and once homeless, are likely to remain homeless for longer periods of time than other youth.

Existing Board policy states that the Board shall review and approve all grant applications. However, due to the timing on this grant submittal, the department was unable to bring an item to the Board to seek approval prior to application. Governing body approval was not required for the application. If the grant is funded, DSS will return to the Board to seek permission to accept the grant funds and possibly adjust the department's Position Allocation List to add a limited term Program Review Specialist for the two year duration of the grant.

OTHER AGENCY INVOLVEMENT/IMPACT

Homelessness is a community-wide issue in which the County is only one partner. Involvement from everyone is essential to addressing homelessness. The competitive, HUD-administered McKinney-Vento Assistance Act programs require the development of a local CoC in communities where assistance is sought. The development of CoCs is designed to address the critical problem of homelessness through a coordinated community-based process of identifying needs and building a comprehensive system to address those needs. Locally, the HSOC's 27-person membership including representatives from homeless serving agencies, the educational community, the County, various cities, faith-based organizations and others, provides a good picture of the scope of other agency involvement in homelessness. In addition, several community coalitions exist that focus on assisting homeless and low income persons. To support partnership between those groups and HSOC, the Homeless Services Coordinator participates in meetings of these groups or provides information and assistance. These groups include the North County Homeless Services Providers, the South County Homeless Services Providers, the Estero Bay Alliance for Care.

As a key feature of the 10 Year Plan, the HSOC is designated as a decision-making body which serves as an advisory committee to the Board of Supervisors.

Within the County organization, DSS works closely with staff from the Administrative Office, Department of Planning and Building, Health Agency, Sheriff's Office, Probation Department, and Veterans Services Office to address issues of homelessness.

FINANCIAL CONSIDERATIONS

As noted previously, the County dedicates over \$2.5 million annually to various efforts aimed at addressing homelessness within the County. This does not include resources dedicated to health and human services programs (such as CalWORKS, General Assistance, Cal Fresh, Workforce Investment Act, Medi-Cal, Behavioral Health, Public Health, and other indigent health programs), all of which serve low income clients who may be at risk of experiencing homelessness.

The more than \$2.5 million in dedicated homeless funding is made up of County General Fund dollars, State and Federal allocations that the County elects to dedicate to homeless issues, and Federal grant dollars that the County manages and allocates to various community organizations that provide homeless services. The tables below provide an overview of County homeless expenditures and the programs they support by expenditure category:

Federal Grant Programs

Emergency Solutions Grants (ESG)	\$120,683	ESG funds are distributed to various homeless serving agencies for shelter, homeless prevention, data collection and rapid re-housing.
Continuum of Care Program Grants (CoC)	\$1,031,601	CoC funds are distributed to various homeless serving agencies for permanent housing, supportive housing, transitional housing and case management. Funds are also retained by County for HMIS administration.
Community Development Block Grants (CDBG)	\$97,872	CDBG funds are distributed to CAPSLO for shelter operations.
HOME Investment Partnership (HOME)	\$100,000	HOME funds are used for tenant based rental assistance programs.
Total	\$1,350,156	

Discretionary County Homeless Expenditures

Contributions to Outside Agencies	\$102,000	Funded with General Fund and Tobacco Settlement funds. Amount is what is contributed to programs that only serve homeless individuals. A total of \$394,400 is allocated to programs that serve homeless clients, among others.
Community Development General Fund Allocations	\$202,500	Funds are allocated to various homeless serving agencies. Specific allocations will not be decided until late Summer.
Total	\$304,500	

County Staff Dedicated to Homelessness

Department	# of Employees	County Cost	
Social Services	3.50 FTE	\$307,492	Includes Homeless Services Coordinator and support staff for HSOC, as well as 2.0 FTE who are dedicated to Benefits ARCH program. Funded with a combination of General Fund and departmental allocations.
Planning and Building	2.80 FTE	\$120,350	Planning staff time for Federal grant administration and HMIS administration and support. Part of the positions are paid for with grant administrative allocations, but the County pays \$120K worth of position costs.
Health Agency- Mental Health	2.25 FTE	\$505,851	Includes staffing of the Mental Health Services Act Full Service Partnership program and Projects to Assist in the Transition from Homelessness programs which provide outreach and engagement services to homeless persons with mental illness. Funding also pays for 3.3 FTE employees at Transitions Mental Health Association.
Total	8.55 FTE	\$933,693	

RESULTS

This item provides the Board with an update on the activities of the Homeless Services Coordinator, HSOC and other County staff on homeless issues within the past year.

ATTACHMENTS

1. April 24, 2012 Board Agenda Item